

## Message Text

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12

ACTION COME-00

INFO OCT-01 EA-11 ISO-00 EB-11 SIL-01 LAB-06 TRSE-00

OPIC-12 CIAE-00 INR-11 NSAE-00 RSC-01 L-03 DRC-01

/058 W

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R 100322Z AUG 74

FM AMEMBASSY BANGKOK

TO AMEMBASSY SINGAPORE

INFO AMCONSUL HONG KONG

AMEMBASSY KUALA LUMPUR

AMEMBASSY SEOUL

AMEMBASSY TAIPEI

AMEMBASSY TOKYO

AMEMBASSY JAKARTA

AMEMBASSY MANILA

AMEMBASSY SAIGON

SECSTATE WASHDC 5847

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E.O. 11652: N/A

TAGS: ECON, ELAB, SN, TH

SUBJECT: ELECTRONICS PRODUCTION

REF: SINGAPORE 3186

1. ELECTRONICS INDUSTRY IN THAILAND IS STILL QUITE YOUNG,  
WITH NATIONAL SEMICONDUCTOR ONLY PLANT IN ACTUAL PRODUCTION,  
WHICH OPENED FACTORY ABOUT ONE YEAR AGO. NSC RECENTLY PUR-  
CHASED LAND AND IS PROCEEDING WITH PLANT EXPANSION PLANS.  
NSF'S RESIDENT MANAGER IS CURRENTLY AWAY ON HOME LEAVE AND  
NOT AVAILABLE FOR COMMENT. SIGNETICS EXPECTS TO GO INTO  
PRODUCTION, IN LEASED TEMPORARY QUARTERS, BY END OF YEAR,  
WITH FURTHER EXPANSION ALSO PLANNED. LOCAL SIGNETICS  
MANAGER, IN RECENT CONVERSATION, AGREED THAT MARKET ABROAD  
FOR ELECTRONICS PRODUCTS IS CURRENTLY SOFT, BUT GAVE NO  
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INDICATION OF CUTTING DOWN PLANNED PRODUCTION. BOTH NSC

AND SIGNETICS HAVE SPOKEN APPROVINGLY OF COMPETENT WORK FORCE, LOCALLY AVAILABLE, AT RELATIVELY LOW COST, AND BOTH SEEM SATISFIED WITH TREATMENT GIVEN THEM BY BOARD OF INVESTMENT (BOI). SIGNETICS SAID IT CONSIDERED FIVE COUNTRIES IN REGION AS POSSIBLE SITE BEFORE CHOOSING BANGKOK, WITH MANILA BEING A CLOSE SECOND CHOICE.

2. BOI IS MAKING SPECIAL EFFORT TO ATTRACT FOREIGN ELECTRONICS FIRMS TO THAILAND. DURING CALL THIS WEEK BY OPIC PRESIDENT MAYS ON BOI SECRETARY GENERAL, LATTER STATED THAILAND IS IDEAL PLACE FOR ELECTRONICS PRODUCTION, MENTIONING LOWEST LABOR COSTS IN REGION, WITH EXCEPTION VIETNAM, SPECIAL EIGHT YEAR TAX HOLIDAY NOW STANDARD FOR ELECTRONICS FIRMS, AND SUCCESSFUL EFFORTS BOI HAS MADE TO ACCELERATE CUSTOMS CLEARANCE OF IMPORTED ELECTRONICS COMPONENTS, TO PERMIT FAST TURN-AROUND. HE EXPRESSED HOPE OPIC WOULD INFORM US ELECTRONICS COMPANIES WISHING TO EXPAND OVERSEAS THAT THAILAND IS THE PLACE.

KINTNER

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN INVESTMENTS, ELECTRONICS INDUSTRY, SEMICONDUCTOR DEVICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 AUG 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** cunninfx  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974BANGKO12997  
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**Document Unique ID:** 00  
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**Film Number:** D740219-0717  
**From:** BANGKOK  
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**Office:** ACTION COME  
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**Previous Handling Restrictions:** n/a  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ELECTRONICS PRODUCTION  
**TAGS:** ECON, ELAB, SN, TH, US  
**To:** COM SINGAPORE  
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